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Commissioner

CHRIS PARKER
Division Director

Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Brenda Salter, Assistant Director

Abdinasir Abdulle, Utility Technical Consultant Supervisor

Kelley O'Connor, Utility Analyst

Joanna Matyjasik, Utility Analyst

Date: August 26, 2026

Re: **Docket No. 26-097-02**, Notice of Sale of Mountain Sewer Corporation.

Recommendation (Acknowledge)

The Utah Division of Public Utilities (Division) recommends that the Public Service Commission (Commission) acknowledge the requested sale of Mountain Sewer Corporation (Company or Mountain Sewer) from Mr. Ray Bowden to Mr. Colton Coon.

Issue

The current owner, Mr. Ray Bowden, has served as the Mountain Sewer Corporation's President for 15 years. He acquired Mountain Sewer in 2011 when the original developer defaulted on a loan. The Purchaser, Mr. Colton Coon, has worked closely with Mr. Bowden in managing and operating Mountain Sewer for a considerable period and has agreed to purchase the Company for \$480,000 and generally assumes the obligations and responsibilities of the Company. Mr. Coon plans on keeping the Company under the jurisdiction of the Commission and retain the Certificate of Public Convenience and Necessity (CPCN).



Division of Public Utilities

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Background

Mountain Sewer is a privately-owned public utility, serves 282 active connections located just south of Pineview Reservoir along State Road 39 and Snow Basin Road in Ogden Valley City. The Company's current tariff has been in effect since October 1, 2023, which is \$106 per month for connected customers and \$32 per month for standby customers. Mountain Sewer was recently approved by the Commission to expand its Service Area to provide sewer services for two residential lots in Docket No. 26-097-01.

The sale will not conflict with or adversely affect the operations or result in the extension or expansion into territory of any existing certificated public utility providing sewer service. The Company's principal place of business is P.O. Box 314, Huntsville, UT 84317.

Discussion

The Division contacted the Parties for additional information, including financial information, to verify the Purchaser's financial capacity to adequately operate the utility. Documents were provided by the Parties that show the acquisition will not adversely impact customers and that the acquisition will bring continued financial sustainability to the Company. The stock purchase agreement requires the Seller to cooperate in the transition and provide reasonable assistance for twelve months following the sale to ensure a smooth transition and transfer of institutional knowledge.

The Purchaser intends to maintain reserves of \$30,000 for Mountain Sewer and plans to increase annual capital planning capacity to approximately \$100,000 to ensure that foreseeable and unexpected infrastructure needs can be addressed without impacting service. The Purchaser will utilize an independent engineering firm to provide infrastructure planning and professional accounting services. Before completion of the acquisition, the Purchaser inspected the physical facility, maintenance, financial, and regulatory records to ensure operational and financial due diligence.

Conclusion

The Division recommends that the Commission acknowledge the requested sale to Mr. Colton Coon.

cc: Ray Bowden, President Mountain Sewer Corporation
Colton Coon
J. Craig Smith, Smith Hartvigsen PLLC
Jennifer Bowen-Crockett, Smith Hartvigsen PLL